

Nogales Border Crossing Update Border Liaison Mechanism

Bruce Bracker Chairman

Phoenix, Arizona March 14, 2013



Board of Directors

Members

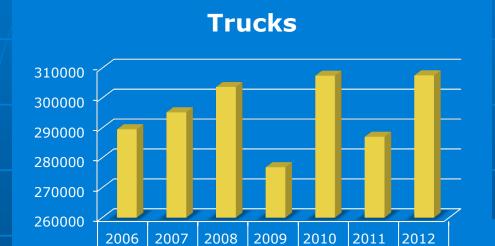
- City of Nogales;
- Santa Cruz County;
- Fresh Produce Association of the Americas
- Maquila Association of Sonora;
- Nogales Economic Development Foundation;
- Nogales Community Development Corporation; and
- Nogales U.S. Customs Brokers Association.

Ex-Officio Members

- US Customs and Border Protection;
- US Border Patrol
- US General Services Administration;
- Arizona Department of Transportation;
- Commercial Corridor Working Group;
- Consejo Empresarial de Nogales, Sonora;
- Municipality of Nogales, Sonora;
- Mexican Consulate General Nogales, Arizona; and
- US Consulate General Nogales, Sonora.



Nogales by the Numbers

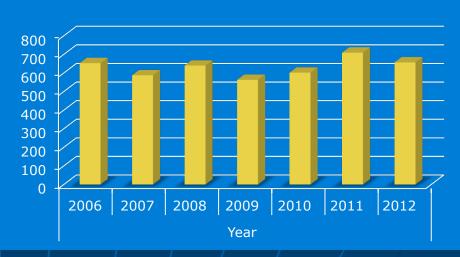


Year

 2012 sets a new record for the number of trucks processed at Nogales

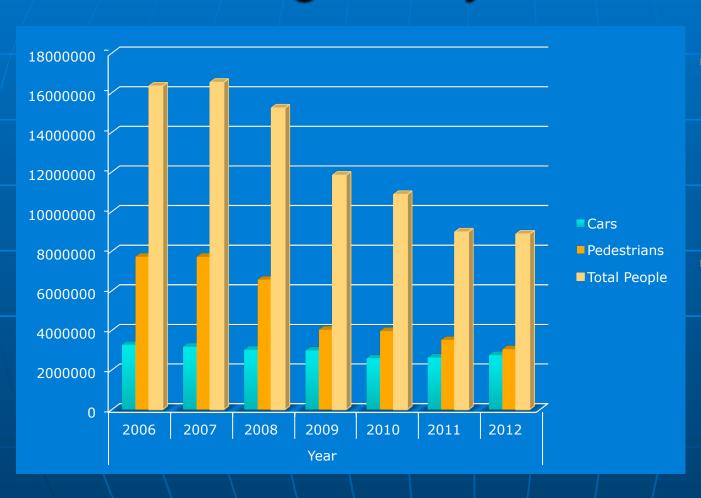
- Working with UP to find ways to increase volumes of trains at Nogales
- UP is about to complete an expansion of the inspection yard at Rio Rico to process containers







Nogales by the Numbers



- Total people
 crossing at
 Nogales is down
 from over 16
 million in 2006 to
 about 8.9 Million
 in 2012
- The downward trend in total people is reversing but still a long way to go to reach volumes of years past



Why Reconfigure Mariposa?





Justification - Mariposa Reconfiguration

Not designed for pedestrians

- Processing close to 425,000 pedestrians/year
 Designed truck throughput: 400/day
- Daily average exceeds 1,500 trucks/day (Oct May)
 Effective Inspection Docks: Approx. 20
 - No Refrigerated Dock space

Approx. 4 Billion Pounds of Fresh Produce each season

- Estimated value: \$2+ billion
- 43% of Fresh Winter produce in entire US!!

Approximately \$20 billion in Maquila Trade Growing wait times to cross the border:



Mariposa Reconfiguration

- Project completion expected in Summer of 2014
 - Need to ensure that sufficient staffing is allocated to staff all 12 vehicular lanes, 8 cargo lanes, bus lane and dedicated pedestrian facilities
 - Enhanced facilities for southbound inspections
- ADOT soon to complete Design Concept Report (DCR) for the connectivity between POE and I-19
 - Increased POE throughput could be hampered by insufficient transportation infrastructure
 - Project is included in AZ-SON Border Master Plan
 - ADOT has completed \$4.5 million road improvement for the entry and egress of Mariposa POE



Road Infrastructure



- Northbound view of completed road improvements
- Critical to eliminate bottlenecks and address safety concerns for truck traffic
- Need to address pedestrian traffic (pick up and drop off)



Next Steps

- BLM meetings should be on a predictable and regular schedule
- Stress to US Congress during Congressional debate on Immigration that the security component must include attention and resources to ports of entry
- Must support CBP during Sequestration process as they are forced to do the same job with indiscriminant reduction in resources
 - Appreciate CBP's efforts to reach out to stakeholders during this process



Next Steps (cont'd)

- Work with Mexican authorities to ensure funding and completion of improvements to the Corridor on the Mexican side of Mariposa:
 - Realignment of pedestrian traffic by November of 2013
 - Widening of northbound lanes for 2+ KM from the border
 - Construction of Aduanas inspection facility to process maquila traffic near industrial parks in Nogales, Sonora
 - Improvements to Aduanas facilities at KM 13



Next Steps (cont'd)

- Need to address pedestrian traffic issues at Downtown crossings (DeConcini and Morley)
 - Request that GSA conduct feasibility study to determine High-Impact/Low-Cost projects to improve pedestrian traffic downtown
 - Retail sector severely impacted and sales tax
 revenues for Nogales are down 8.4% in 2012 from 2011



Bruce Bracker Chairman

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